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DEPARTMENT OF HUMAN SERVICES
CHARLES J. KROGMEIER, DIRECTOR

INFORMATIONAL LETTER NO. 926

DATE: July 26, 2010

TO: Iowa Medicaid Area Education Agencies

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise

RE: Medicaid Billing Remittance Form 470-3816

The 2010 General Assembly in Senate File 2291 amended Section 256B.15, subsection 7, Code 2009, to require that the non-Federal share amount shall be transferred to the Medicaid program prior to payment to the Area Education Agencies (AEAs) for services.

The Medicaid Billing Remittance Form has been revised to reflect only the amount of Medicaid payment received in the month. A copy of the revised form is attached.

The Department of Education (DE) issued information on how Medicaid is implementing the requirement that the non-Federal share be received by Medicaid prior to release of payments. The instructions are repeated here.

1. On a monthly basis beginning June 25, 2010, all AEAs will submit a payment to the Department of Human Services (DHS) Fiscal Management equal to 1/12 of 110% of the estimated annual non-Federal share of their medical assistance claims.
2. Beginning July 1, 2010, an AEA's claims will be suspended until the first up-front monthly payment is received.
3. If the AEA believes the monthly installment payment will be insufficient to cover claims, an additional amount must be sent to DHS Fiscal Management prior to submission of claims.
4. If a fund balance is zero, all claims for the AEA provider will be suspended.
5. The AEAs will be notified of the need for additional funds. In addition, the weekly claims remittance will include the suspended claim amounts.
6. Any excess fund balance will be returned to the AEAs in the form of a cash payment at the end of the fiscal year.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, locally (Des Moines) at 256-4609 or by e-mail: imeproviderservices@dhs.state.ia.us.